



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-6074/P1

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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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1 AN ACT ...; relating to gubernatorial approval requirements for administrative
2 rules; agency publications; independent retrospective economic impact
3 analyses of rules; election of pass-through entities to be taxed at the entity
4 level; transfers of the unencumbered balance of certain appropriations;
5 biennial reports regarding fees charged by executive state agencies; transfer of
6 funding between state highway programs; approval of major highway projects;
7 expenditure of transportation moneys received from the federal government;
8 membership of and appointments to the Group Insurance Board; repayment of
9 principal on public, short-term, general obligation debt; approval authority
10 over reallocation or reduction of Temporary Assistance for Needy Families
11 funds; separating a single appropriation to the Department of Workforce
12 Development for various workforce training programs into a separate
13 appropriation to the department for each program and making an
14 appropriation; an annual report on the administration of the information
15 technology and communication services self-funded portal; eliminating the

1 Office of Solicitor General in the Department of Justice; the board of directors
2 and chief executive officer of the Wisconsin Economic Development
3 Corporation; holding the presidential preference primary on the second
4 Tuesday in March; the beginning of the period for applying for an absentee
5 ballot in-person; notice to the legislature of claims relating to constitutionality
6 or enforceability of statutes and right of the legislature to intervene and state
7 settlement moneys and the settlement authority of the attorney general;
8 presumptions regarding the validity of administrative rules; determining a
9 reduction in individual income tax rates on the basis of the collection of sales
10 and use taxes from out-of-state retailers; leasing office space for legislative
11 offices or legislative service agencies; retaining outside legal representation for
12 legislators and legislative staff; fiscal estimates and economic impact analyses
13 for proposed administrative rules; rule-making authority for federal
14 compliance plans; report regarding individuals who are pardoned or who are
15 released from prison before completing their sentence; state agency submission
16 of quarterly reports on state operations expenditures to the Joint Committee
17 on Finance; suspension of administrative rules by the Joint Committee for
18 Review of Administrative Rules; the final decision of an agency in a contested
19 case proceeding; the advice and consent of the senate; designation of new
20 enterprise zones; requirements for highway projects receiving federal funding
21 and disclosures and requirements relating to local highway projects; codifying
22 administrative code provisions related to voter identification; waivers from
23 work search and registration requirements for certain individuals claiming
24 unemployment insurance benefits and granting rule-making authority;
25 approval of security changes at the capitol by the Joint Committee on

1 Legislative Organization; certain grants under the municipal flood control and
 2 riparian restoration program; gifts and grants appropriations of the
 3 Department of Justice; various changes regarding administrative rules;
 4 absentee ballots cast by overseas and military voters; deference by courts to
 5 agency interpretations of law, notice and comment requirements for guidance
 6 documents issued by agencies, and agency rule-making authority.

Analysis by the Legislative Reference Bureau

***** ANALYSIS FROM -5979/P1 *****

Generally, under current law, an agency planning to promulgate an administrative rule, including an emergency rule, must first prepare a statement of the scope of the proposed rule (scope statement). A scope statement must be submitted to the Department of Administration for a determination as to whether the agency has the explicit authority to promulgate the rule as proposed in the scope statement. DOA must then report the statement and its determination to the governor who, in his or her discretion, may approve or reject the scope statement. Also under current law, after a proposed administrative rule, including an emergency rule, is in final draft form, the agency promulgating the proposed rule must submit the proposed rule to the governor, who may approve or reject the proposed rule. No agency may promulgate an administrative rule without the written approval of the governor.

In *Coyne v. Walker*, 2016 WI 38, the Wisconsin Supreme Court held that provisions requiring gubernatorial approval of scope statements and rules are unconstitutional as applied to the superintendent of public instruction.

Consistent with the result in *Coyne*, this bill exempts rules promulgated by the Department of Public Instruction from the requirements that a) a scope statement be submitted to DOA for a determination of authority and that the scope statement be approved by the governor and b) a proposed rule in final draft form be submitted to the governor and that the governor approve the rule in writing.

***** ANALYSIS FROM -5982/P2 *****

This bill requires a state agency to provide a statutory or administrative rule citation for any statement or interpretation of law that the agency provides in its informational materials.

***** ANALYSIS FROM -5983/P1 *****

This bill allows the legislature to request an independent retrospective economic impact analysis (EIA) for a rule.

Under current law, either cochairperson of the Joint Committee for Review of Administrative Rules may request an independent EIA for a proposed rule after an agency submits its EIA for that proposed rule. Such a request by the senate cochairperson of JCRAR requires approval by the Committee on Senate

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Organization, and a request by the assembly cochairperson requires approval by the Committee on Assembly Organization. Current law requires the requester to enter into a contract to perform the independent EIA, and requires the analysis to be completed within 60 days after entering into the contract. Under current law, an independent EIA is paid for by the agency if the independent EIA's cost estimate for the proposed rule varies by 15 percent or more from the agency's EIA, and is paid for by the legislature if the independent EIA's cost estimate for the proposed rule varies by less than 15 percent from the agency's EIA.

Also under current law, either cochairperson of JCRAR may request an agency to conduct a retrospective EIA for existing rules, which must contain certain information and analysis about the economic impact of the agency's existing rules. This bill allows either cochairperson of JCRAR to request an independent retrospective EIA for a rule within 90 days after an agency submits a retrospective EIA for the rule. The bill specifies that a request for an independent retrospective EIA for a rule follows the same procedure and payment method as a request for an independent EIA for a proposed rule.

*** ANALYSIS FROM -5985/P6 *** 4,

This bill allows pass-through entities to elect to be taxed at the entity level for purposes of the state's income and franchise taxes.

Under current law, pass-through entities, such as tax-option corporations and partnerships, are generally not subject to the income or franchise tax at the entity level. Rather, any item of income, loss, or deduction flows through to their shareholders, partners, or members, who are then subject to tax.

The bill allows tax-option corporations and partnerships, including limited liability companies and other entities that are treated as partnerships under federal tax law, to elect to be taxed at the entity level for purposes of the income and franchise taxes. An entity that makes the election is taxed at a rate of 7.9 percent on its net income that is reportable to Wisconsin, and the situs of income is determined as if the election was not made. The entity may not claim losses and tax credits except for the credit for taxes paid to other states. The bill also provides that the adjusted basis of the entity's partners, shareholders, or members is determined as if the election was not made. If the entity fails to pay the taxes due, the Department of Revenue may collect the amount from the entity's partners, shareholders, or members. Persons who hold more than 50 percent ownership of the pass-through entity must consent to the election and must consent to any revocation of the election. The bill allows the election to be made for taxable years beginning in 2018 for tax-option corporations and 2019 for other entities.

*** ANALYSIS FROM -5986/P2 *** 5,

This bill requires the Department of Veterans Affairs to submit to the Joint Committee on Finance a notification of any transfers of funds from the unencumbered balance of certain appropriations for veterans homes to the veterans trust fund or the veterans mortgage loan repayment fund. Current law allows those transfers to be made without any notification.

*** ANALYSIS FROM -5989/P1 ***

Under current law, no later than September 15 of each even-numbered year, each executive state agency must file with the Department of Administration the agency's budget request for the succeeding biennium. This bill requires each agency to include with its biennial budget request a report that lists each fee the agency is authorized to charge. The report must also include the following:

1. The amount of each fee or the method of calculating the fee if there is no fixed amount.
2. An identification of the agency's statutory authority to charge each fee.
3. A statement whether or not the agency currently charges the fee.
4. A description of whether and how each fee has changed over time.
5. Any recommendation the agency has concerning each fee.

The bill defines "fee" as any amount of money other than a tax that an agency charges a person other than a governmental entity.

*** ANALYSIS FROM -5990/P1 ***

Under current law, the Department of Transportation may make transfers of state and federal funding between highway programs. This bill eliminates this authority.

*** ANALYSIS FROM -5991/P1 ***

This bill eliminates a special approval process for certain major highway projects.

Current law recognizes two categories of major highway projects. In the first category, a major highway project is defined as a project that has a total cost of more than \$30,000,000 and that involves 1) constructing a new highway 2.5 miles or more in length; 2) reconstructing or reconditioning an existing highway by either relocating 2.5 miles or more of the existing highway or adding one or more lanes five miles or more in length to the existing highway; or 3) improving to freeway standards ten miles or more of an existing divided highway having two or more lanes in either direction. In the second category, a major highway project is a project having a total cost of at least \$75,000,000. For both categories of major highway projects, the total cost threshold is adjusted annually by the Department of Transportation based on an inflation index maintained by DOT.

Under current law, a major highway project in the first category, must generally receive the approval of the Transportation Projects Commission (TPC) and the legislature (generally referred to as "enumeration") before the project may be constructed. DOT may not begin preparing an environmental impact statement (EIS) or environmental assessment (EA) for a potential major highway project without TPC approval. The TPC may not recommend approval of any major highway project unless the TPC has been notified that a final EIS or EA for the project has been approved by the Federal Highway Administration. The legislature may not enumerate any major highway project unless the TPC has recommended approval of the project.

For a major highway project in the second category, TPC approval is required, but specific legislative approval is not. Under the special procedure, DOT may prepare an EIS or EA for the project without TPC approval. However, prior to construction of the project, DOT must submit a report to TPC and request TPC

approval to proceed with the project. DOT may not proceed with construction unless the project is approved by TPC. Once approved by TPC, the project is considered "enumerated" as a major highway project under the statutes.

This bill eliminates the special approval process for the second category of major highway projects. Under this bill, these projects must be approved using the process provided for the first category of major highway projects.

*** ANALYSIS FROM -5992/P2 ***

DOT This bill provides that, unless authorized by the Joint Committee on Finance, the Department of Transportation may not expend federal funds greater than 105 percent or less than 95 percent of the amount that is shown in the appropriation schedule for that fiscal year for certain federal highway fund appropriations for the purposes provided in the appropriations.

*** ANALYSIS FROM -5995/P1 ***

This bill increases the size of the Group Insurance Board by four members. The new members are appointed, respectively, by the speaker of the assembly, the assembly minority leader, the senate majority leader, and the senate minority leader. The bill also provides that the six members appointed by the governor for two-year terms are subject to senate confirmation.

*** ANALYSIS FROM -5998/P1 ***

This bill requires the Building Commission to establish an amortization schedule for each short-term, general obligation debt authorized by the commission. The amortization schedule must provide that a portion of the principal amount of the debt is retired annually over the life of the improvement or asset to which the debt is related. An amortization schedule established as required under the bill may not be modified except as authorized by the Joint Committee on Finance under passive review.

*** ANALYSIS FROM -6001/P1 ***

Under current law, the Department of Children and Families is directed to allocate in each fiscal year specific amounts of money, including federal moneys received under the Temporary Assistance for Needy Families (TANF) block grant program, for various public assistance programs (commonly known as the TANF schedule). Under current law, DCF may reallocate funds that are allocated for one purpose in the TANF schedule for any other purpose in the TANF schedule if the secretary of administration approves the reallocation. Also under current law, if the TANF moneys received from the federal government are less than the amounts appropriated for the purposes under the TANF schedule, DCF is required to create a plan for reducing the amounts of moneys allocated under the TANF schedule and to carry it out if the secretary of administration approves the plan. This bill replaces the authority of the secretary to approve a reallocation or a plan to reduce the moneys allocated under the TANF schedule with passive review by the Joint Committee on Finance.

*** ANALYSIS FROM -6004/P1 ***

This bill separates a single appropriation to the Department of Workforce Development for various workforce training programs, commonly referred to as the Fast Forward program, into a separate appropriation for each program. The bill

appropriates the following amounts for each of the following programs for fiscal year 2018-19:

1. Career and technical education incentive grants — \$3,500,000
2. Technical education equipment grants — \$500,000
3. Teacher development program grants — \$0
4. Apprenticeship programs — \$225,000
5. Local youth apprenticeship grants — \$2,233,700
6. Employment transit assistance grants — \$464,800
7. Youth summer jobs programs in 1st class cities (currently only the city of Milwaukee) — \$422,400

Under the bill, DWD may request that the Joint Committee on Finance transfer moneys from the Fast Forward appropriation account to the appropriation accounts for the teacher development program grants and local youth apprenticeship grants to fund those grant programs. JCF

The bill also converts the Fast Forward appropriation from a continuing appropriation to an annual appropriation.

DOA *** ANALYSIS FROM -6006/P1 *** 14

Under current law, the Department of Administration contracts with a vendor to provide web-based technology services through a web portal to state agencies, state authorities, units of the federal government, local governmental units, tribal schools, individuals, and entities in the private sector. Revenue received from the fees charged for certain services provided through the self-funded web portal is disbursed as payment to the vendor. JCF

This bill requires DOA to submit to the Joint Committee on Finance and the legislature by October 1 of each year a report on the administration of the self-funded portal. The report must include the following information: 1) a financial statement of state revenues and expenditures; 2) a list of services available; 3) fees charged for each service; 4) the activity level of each service; and 5) any other information that DOA determines is appropriate to include.

*** ANALYSIS FROM -6007/P1 *** 15

This bill eliminates the power of the attorney general to appoint a solicitor general and up to three deputy solicitors general, each of whom must be licensed to practice law in this state. The effect of the bill is to eliminate the Office of the Solicitor General in the Department of Justice, which represents the state in certain cases on appeal in state and federal courts.

*** ANALYSIS FROM -6012/P6 *** 16

Under current law, the board of directors of the Wisconsin Economic Development Corporation consists of 12 members as follows:

1. Six members are appointed by the governor subject to senate confirmation, to serve at the pleasure of the governor.
2. Three members are appointed by the speaker of the assembly, consisting of one majority and one minority party representative to the assembly and one person employed in the private sector, all of whom serve at the speaker's pleasure. voting

3. Three members are appointed by the senate majority leader, consisting of one majority and one minority party senator and one person employed in the private sector, all of whom serve at the majority leader's pleasure.

Under this bill, the board consists of 18 members. The speaker of the assembly and the senate majority leader each appoint five members to the board, and the appointees need not be members of the legislature nor employed in the private sector. Also, under the bill, the minority leader of each house appoints one member to the board. The membership appointed by the governor remains unchanged.

The bill further provides that the chief executive officer of WEDC is appointed by the board of directors of WEDC and serves at the pleasure of the board. Currently, the governor appoints the CEO.

*** ANALYSIS FROM -6017/P2 *** 17

This bill requires the presidential preference primary to be held on the second Tuesday in March rather than the first Tuesday in April.

*** ANALYSIS FROM -6019/P1 *** 18

Under current law, a qualified elector may apply for an absentee ballot in-person no earlier than the third Monday preceding the election and no later than the Friday preceding the election. Under this bill, a qualified elector may apply for an absentee ballot in-person no earlier than the third Saturday preceding the election and no later than the Friday preceding the election.

*** ANALYSIS FROM -6021/P8 *** 19

***Notice to legislature of claims relating to constitutionality of statutes;
legislative intervention***

This bill requires a party that alleges that a statute is unconstitutional, or in violation of or preempted by federal law, to serve the speaker of the assembly, the president of the senate, and the senate majority leader with a copy of the proceeding. The bill also requires that, in such cases, the assembly, the senate, and the Joint Committee on Legislative Organization (JCLO) are entitled to be heard, representing the legislature and the state.

Under current law, if a statute, ordinance, or franchise is alleged to be unconstitutional, the attorney general must be served with a copy of the proceeding and be entitled to be heard. This requirement exists in the statutes for declaratory judgment acts under s. 806.04 (11). The Wisconsin Supreme Court has also extended the requirement to other types of actions involving claims that a statute is unconstitutional. See *Kurtz v. City of Waukesha*, 91 Wis. 2d 103, 280 N.W.2d 757 (1979). This bill incorporates the *Kurtz* rule into the statutes and extends both the current statutory and *Kurtz* requirements of service and an opportunity to be heard to the legislature when a statute is alleged to be unconstitutional or in violation of or preempted by federal law.

The bill also provides that when a party challenges the constitutionality of a statute, facially or as applied, or challenges a statute as violating or preempted by federal law, as part of a claim or affirmative defense, the assembly, the senate, and JCLO have the right at any time to intervene and participate in the action and may also retain legal counsel other than the Department of Justice. Under the bill, the Committee on Assembly Organization may intervene in the action, as well as obtain

DOJ

legal counsel, on behalf of the assembly; the Committee on Senate Organization may intervene in the action, as well as obtain legal counsel, on behalf of the senate; and JCLO may intervene in the action, as well as obtain legal counsel, on behalf of the state. If JCLO determines that the interests of the state will be best represented by special counsel appointed by the legislature, JCLO must appoint special counsel to represent the state defendants and act instead of the attorney general. In these circumstances, special counsel has the powers of the attorney general with respect to the litigation to which special counsel has been appointed.

State settlement moneys and settlement authority of attorney general

Under current law, DOJ deposits settlement funds that are not committed under the terms of the settlement into a DOJ appropriation and may spend the funds only after submitting a plan for the expenditure to the Joint Committee on Finance for passive review. If JCF does not schedule a meeting to review the proposed plan within 14 days, DOJ may expend the funds as provided in the plan. This bill requires that DOJ must deposit all settlement funds into the general fund. This bill also lapses all unencumbered settlement funds that are currently in the DOJ appropriation into the general fund. JCF

Current law allows the attorney general to compromise or discontinue an action DOJ is prosecuting if the governor approves the compromise or discontinuance. This bill requires JCF to approve the compromise or discontinuance instead of the governor. Current law allows the attorney general to settle and compromise actions in which the attorney general is appearing for and defending the state as the attorney general determines to be in the best interest of the state. This bill requires that, if the action is for injunctive relief or there is a proposed consent decree, the attorney general must submit the settlement or compromise plan to JCF for passive review. If JCF does not schedule a meeting to review the plan within 14 days, the attorney general may proceed, but, if JCF does schedule a meeting, the attorney general may proceed only with the approval of JCF.

The bill further provides that the attorney general may not submit a proposed settlement plan to JCF in which the plan concedes the unconstitutionality or other invalidity of a statute without the approval of JCLO.

*** ANALYSIS FROM -6023/P1 *** 20

Under current law, as the final step of the administrative rule process, an agency must file a certified copy of a rule with the Legislative Reference Bureau for publication. Filing a certified copy of a rule with the LRB creates a number of presumptions, including that the rule was duly promulgated by the agency and that all of the required rule-making procedures were complied with.

This bill eliminates the statutory presumptions that a rule was "duly" promulgated by the agency and that all of the required rule-making procedures were complied with.

DOR *** ANALYSIS FROM -6025/P3 *** 21

Under current law, the Department of Revenue must determine the amount of additional revenue collected from the state sales and use tax as a result of any federal law that expands the state's authority to collect sales and use taxes from out-of-state retailers. After DOR makes that determination, it must then determine how much

the individual income tax rates may be reduced in the following taxable year in order to decrease individual income tax revenue by the amount of additional sales and use tax revenue. Finally, DOR must certify its determinations to the secretary of administration, to the governor, and to the legislature and specify that the new individual income tax rates will take effect in the following year. No further legislation is required to make this change.

The U.S. Supreme Court recently upheld a South Dakota law that required the collection of state sales and use taxes from any out-of-state seller that either conducts 200 or more transactions annually with consumers in the state or has annual sales in the state exceeding \$100,000. See, *South Dakota v. Wayfair, Inc.*, 585 U.S. ____ (2018). The *Wayfair* decision overturned longstanding precedent that prevented a state from collecting sales and use tax from out-of-state sellers that did not have a physical presence in the state. See, *Quill Corp. v. North Dakota*, 504 U.S. 298 (1992).

This bill clarifies that the recent U.S. Supreme Court decision that expands a state's authority to collect sales and use taxes from out-of-state retailers triggers the determinations mentioned above. The bill also provides that the new individual income tax rates based on the determinations would not take effect automatically in the year following DOR's certification, but, instead, the Department of Administration, in consultation with DOR, would determine the new tax rates to take effect for the taxable year ending on December 31, 2019, and report its determinations to the governor, the Joint Committee on Finance, and the Legislative Audit Bureau. LAB would then review the determinations and report its findings to JCF and the Joint Legislative Audit Committee. If LAB's review results in a re-determination of the rates, JCF would determine which rates apply to the taxable year ending on December 31, 2019, and report its determination to the governor, the secretary of administration, and the secretary of revenue. Finally, the bill includes in the definition of a "retailer engaged in business in this state" any retailer that has annual gross sales into this state in excess of \$100,000 or an annual number of separate sales transactions into this state of 200 or more.

*** ANALYSIS FROM -6027/P1 ***

Current law requires the Department of Administration, at the direction of the Joint Committee on Legislative Organization, to lease or acquire office space for legislative offices or legislative service agencies. This bill requires instead that the cochairpersons of JCLO lease or acquire office space for legislative offices or legislative services agencies.

*** ANALYSIS FROM -6028/P2 ***

Currently, representatives to the assembly and senators, as well as legislative employees, may receive legal representation from the Department of Justice in most legal proceedings. Assembly and senate policies and practices also allow legislators and legislative employees to retain outside legal counsel in some instances.

With respect to the assembly, the bill provides that the speaker of the assembly may authorize a representative to the assembly or assembly employee who requires legal representation to obtain outside legal counsel if the acts or allegations underlying the action are arguably within the scope of the representative's or

employee's duties. The speaker may also obtain outside legal counsel in any action in which the assembly is a party or in which the interests of the assembly are affected, as determined by the speaker.

With respect to the senate, the bill provides that the senate majority leader may authorize a senator or senate employee who requires legal representation to obtain outside legal counsel if the acts or allegations underlying the action are arguably within the scope of the senator's or employee's duties. The majority leader may also obtain outside legal counsel in any action in which the senate is a party or in which the interests of the senate are affected, as determined by the majority leader.

Finally, the bill provides that the cochairpersons of the Joint Committee on Legislative Organization may authorize a legislative service agency employee who requires legal representation to obtain outside legal counsel if the acts or allegations underlying the action are arguably within the scope of the employee's duties. The cochairpersons may also obtain outside legal counsel in any action in which the legislature is a party or in which the interests of the legislature are affected, as determined by the cochairpersons.

*** ANALYSIS FROM -6031/P1 ***

Under current law, a state agency must prepare a fiscal estimate for each proposed rule, which must describe the fiscal effect of the proposed rule on local governmental fiscal liabilities and revenues, the fiscal effect of the proposed rule on state government, and, for rules that the agency determines may have a significant fiscal effect on the private sector, the anticipated costs that will be incurred by the private sector in complying with the rule. Also under current law, the agency must prepare an economic impact analysis for a proposed rule, which must contain certain specified information on the economic effect of the proposed rule on specific businesses, business sectors, public utility ratepayers, local governmental units, and the state's economy as a whole, as well as certain other information regarding the economic impact of the proposed rule.

This bill specifically requires an economic impact analysis for a proposed rule to be prepared and submitted separately from the fiscal estimate for the proposed rule.

*** ANALYSIS FROM -6036/P1 ***

This bill provides that a plan submitted by an agency to the federal government for the purpose of complying with federal law (compliance plan) does not confer rule-making authority and cannot be used by an agency as authority to promulgate rules. The bill provides that no agency may agree to promulgate a rule as a component of a compliance plan unless the agency has explicit statutory authority to promulgate the rule at the time the compliance plan is submitted to the federal government.

*** ANALYSIS FROM -6037/P2 ***

This bill requires the Department of Corrections to submit a report to the legislature upon request, and to post the report on its website, regarding individuals who, since the previous report or during a date range specified in the request, were pardoned or released from imprisonment before completing their sentences. The report must identify each individual by name, include the crime for which he or she

was convicted, and provide the name of the person who pardoned the individual or authorized the early release. If an individual appears on a report requested under this bill and is subsequently convicted of a crime, this bill requires DOC to report also the name of that individual and the crime.

*** ANALYSIS FROM -6038/P2 *** 27

JCF 6 This bill requires all executive branch state agencies, other than the Board of Regents of the University of Wisconsin System, to submit a quarterly report to the Joint Committee on Finance listing all state agency expenditures for state operations in the preceding calendar quarter. The report must specifically detail all expenditures for administrative supplies and services that are made at the discretion of or to be used by heads of state agencies, secretaries, deputy secretaries, assistant deputy secretaries, and executive assistants. Under the bill, "state operations" means all agency expenditures except aids to individuals and organizations and local assistance.

*** ANALYSIS FROM -6047/P1 *** 28

JCRAR 9 Under current law, administrative rules that are in effect may be temporarily suspended by the Joint Committee for Review of Administrative Rules. If JCRAR suspends a rule, JCRAR must introduce bills in each house of the legislature to make the suspension permanent. If neither bill to support the suspension is ultimately enacted, the rule may remain in effect and JCRAR may not suspend the rule again.

This bill provides that JCRAR may suspend a rule multiple times.

*** ANALYSIS FROM -6048/P1 *** 29

Under current law, an agency may, by rule or by an order in a particular case, specify that the decision of a hearing examiner who conducts a hearing in a contested case proceeding is the final decision of the agency. This bill prohibits an agency from delegating the authority to issue a final decision in a contested case to a hearing examiner. This bill also requires that all final decisions of an agency must be approved, signed, and dated by the secretary of the agency.

*** ANALYSIS FROM -6049/P1 *** 30

The bill provides that any individual nominated by the governor or another state officer or agency, and with the advice and consent of the senate appointed, to any office or position may not hold the office or position, be nominated again for the office or position, or perform any duties of the office or position during the legislative session biennium if the individual's confirmation for the office or position is rejected by the senate. Currently, there is no prohibition against the governor or another state officer or agency nominating the individual again for the office or position or appointing the individual to the office or position as a provisional appointment.

*** ANALYSIS FROM -6050/P2 *** 31

JCF 9 WEDC This bill requires that the Wisconsin Economic Development Corporation obtain approval from the Joint Committee on Finance under passive review before WEDC designates a new enterprise zone under the enterprise zone tax credit program. The bill also eliminates any restriction on the number of enterprise zones WEDC may designate. Currently, WEDC may not designate more than 30 enterprise zones.

*** ANALYSIS FROM -6051/P2 ***

32

DOT - This bill provides that for Southeast Wisconsin freeway megaprojects, major highway development projects, and certain state highway rehabilitation projects for which the Department of Transportation spends federal money, federal money must make up at least 70 percent of the aggregate funding for those projects. The bill provides that if DOT determines that it cannot meet this requirement or that it can make more effective and efficient use of federal money, DOT may submit a proposed alternate funding plan to the Joint Committee on Finance for review under its passive review procedure. JCF

The bill requires DOT to notify political subdivisions receiving aid for local projects whether the aid includes federal moneys and how those moneys must be spent. The bill provides that, for projects that receive no federal money and that are reviewed and approved by a professional engineer or the county highway commissioner, DOT may not require political subdivisions to comply with any portion of DOT's facilities development manual other than design standards.

*** ANALYSIS FROM -6052/P2 *** 33

DOT - Under current law, an applicant for a driver's license or identification card must provide to the Department of Transportation 1) an identification document that includes either the applicant's photograph or both the applicant's full legal name and date of birth; 2) documentation showing the applicant's date of birth, which may be the same as item 1; 3) proof of the applicant's social security number or verification that the applicant is not eligible for a social security number; 4) documentation showing the applicant's name and address of principal residence; and 5) documentary proof that the applicant is a U.S. citizen or is otherwise lawfully present in the United States.

In 2015 and 2017, DOT promulgated rules, the first establishing and the second modifying, a procedure by which persons requesting free identification cards for the purpose of voter identification could receive these cards despite being unable to provide required documentary proof. In general, the procedure requires an applicant to provide DOT with either 1) the applicant's full legal name, date of birth, place of birth, and any other birth record information requested by DOT; or 2) the applicant's alien or U.S. citizenship and immigration service number or U.S. citizenship certificate number. DOT then shares this information with the Department of Health Services or the federal government for the purpose of verifying the applicant's identity. In general, a person may receive a voter identification card under this procedure if either DHS or the federal government verifies the person's identity or if DOT receives acceptable alternate documentation. This bill incorporates this verification procedure into the statutes.

DOT's 2017 rule also provided a procedure by which an applicant for an identification card could obtain a card with a name other than the name that appears on the applicant's supporting documentation. The bill also incorporates this procedure into the statutes.

Under current law, an unexpired identification card issued by an accredited university or college in this state may be used as identification for voting purposes if it contains a photograph and the signature of the person to whom it was issued, it expires no later than two years after the date of issuance, and the person establishes

that he or she is enrolled as a student at the university or college on election day. The Government Accountability Board (now the Elections Commission) promulgated a rule to clarify that an identification card issued by a technical college that is governed by this state's technical college system may be used for voting purposes. The bill codifies the rule.

*** ANALYSIS FROM -6058/P4 *** 34

Under current law, a claimant for unemployment insurance benefits is generally required to conduct searches for work each week to be eligible for unemployment benefits and to register for work. Current law provides that a claimant who is laid off is exempt from these requirements if the claimant reasonably expects to be reemployed by the former employer and the Department of Workforce Development verifies that expectation. Administrative rules promulgated by DWD require DWD to grant a claimant a waiver of the work search and registration requirements for eight weeks if the claimant reasonably expects to be reemployed with the claimant's employer within that period and allow an additional four-week extension of that waiver. The rules also provide additional reasons a claimant may qualify for a waiver and require claimants for whom the requirements are not waived to provide verification of having complied with work search and registration requirements. DWD

This bill eliminates DWD's authority to establish waivers from work search and registration requirements and codifies the current waivers contained in DWD's rules. However, the bill allows DWD to modify or eliminate a waiver, or to create additional waivers, if doing so is necessary to comply with federal law or is specifically allowed under federal law. The bill also codifies the requirement that a claimant provide verification of having complied with work search and registration requirements. DOA

*** ANALYSIS FROM -6059/P1 *** 35

This bill requires the Department of Administration to submit any proposed changes to security at the capitol, including the posting of a firearm restriction, to the Joint Committee on Legislative Organization for approval under passive review. JCLD

*** ANALYSIS FROM -6065/P2 *** 36

Under current law, the Department of Natural Resources administers the municipal flood control and riparian restoration program, which provides grants that pay a portion of the costs of facilities and structures for the collection and transmission of storm water, including the purchase of flowage and conservation easements on lands within floodways, and of floodproofing public and private structures located in the 100-year floodplain. Current law requires DNR to promulgate rules specifying eligibility criteria for projects and for determining which projects will receive financial assistance. However, under current law, during the 2017-19 fiscal biennium, DNR must consider an applicant to be eligible for such a grant if the project is funded or executed in whole or in part by the U.S. Army Corps of Engineers' small flood control projects program, and DNR must provide such an applicant with a cost-sharing grant not to exceed \$14,600,000. This bill extends this requirement to the 2019-21 biennium as well.

*** ANALYSIS FROM -6067/P1 *** 37

g-dot
This bill changes the Department of Justice gifts and grants appropriations from continuing appropriations to annual appropriations.

*** ANALYSIS FROM -6024/P1 *** 38

Insert
Anal-A
This is a preliminary draft. An analysis will be provided in a subsequent version of this draft.

*** ANALYSIS FROM -6015/P1 *** 39

This bill modifies current law regarding the voting procedures for military and overseas electors so that the law is in substantial compliance with the federal Uniformed and Overseas Citizens Absentee Voting Act. The bill also modifies current law so that an individual signing the witness certification for an absentee ballot cast by a military elector or overseas elector need not be a United States citizen.

The bill allows all overseas electors to receive absentee ballots electronically, regardless of whether such electors are considered permanently or temporarily overseas. Under the bill, an overseas elector is a U.S. citizen who is residing outside of the United States, who is not disqualified from voting, who has attained or will attain the age of 18 by the date of an election at which the citizen proposes to vote, who was last domiciled in this state or whose parent was last domiciled in this state immediately prior to the parent's departure from the United States, and who is not registered to vote or voting in any other state, territory, or possession.

*** ANALYSIS FROM -6046/P2 *** 40

This bill 1) prohibits a court from according deference to agency interpretations of law in certain proceedings and prohibits agencies from seeking deference in any proceeding to agency interpretations of law; 2) establishes various requirements with respect to the adoption and use of guidance documents by agencies, including requirements that agencies must comply with in order to adopt guidance documents; and 3) provides that settlement agreements do not confer rule-making authority.

Agency interpretations of law

Generally under current law, when reviewing an agency decision in a contested case or other matter subject to judicial review under the law governing administrative procedure for state agencies, a court must accord due weight to the experience, technical competence, and specialized knowledge of the agency involved, as well as discretionary authority conferred upon it. Consistent with the Wisconsin Supreme Court's decision in *Tetra Tech EC, Inc. v. Wis. Dep't of Revenue*, 2018 WI 75, the bill limits this directive such that a court performing judicial review of such a decision must accord no deference to an agency's interpretation of law.

The bill also provides that no agency may seek deference in any proceeding based on the agency's interpretation of any law.

Guidance documents

Subject to various exceptions, the bill defines "guidance document" as any formal or official document or communication issued by an agency, including a manual, handbook, directive, or informational bulletin, that 1) explains the agency's implementation of a statute or rule enforced or administered by the agency, including the current or proposed operating procedure of the agency; or 2) provides guidance or advice with respect to how the agency is likely to apply any statute or rule enforced

or administered by the agency, if that guidance or advice is likely to apply to a class of persons similarly affected.

The bill requires each agency to submit each proposed guidance document to the Legislative Reference Bureau for publication in the register and to provide a period for persons to submit written comments to the agency on the proposed guidance document. The agency must retain all written comments submitted during the public comment period and consider those comments in determining whether to adopt the guidance document as originally proposed, modify the proposed guidance document, or take any other action. The bill allows for a comment period of less than 21 days with the approval of the governor. The bill also requires each adopted guidance document, while valid, to remain available on the agency's Internet site and requires the agency to permit continuing public comment on the guidance document. Each guidance document must be signed by the head of the agency below a statement containing certain certifications.

The bill provides that a guidance document does not have the force of law and does not provide the authority for implementing or enforcing a standard, requirement, or threshold, including as a term or condition of any license. An agency that proposes to rely on a guidance document to the detriment of a person in any proceeding must afford the person an adequate opportunity to contest the legality or wisdom of a position taken in the guidance document, and an agency may not use a guidance document to foreclose consideration of any issue raised in the guidance document. The bill also contains other provisions with respect to agency use of and reliance upon guidance documents, allows certain persons to petition an agency to promulgate a rule in place of a guidance document, and makes guidance documents subject to the same judicial review provisions as apply to rules.

The bill requires the Legislative Council staff to provide agencies with assistance in determining whether documents and communications are guidance documents as defined in the bill.

The bill provides that, as of six months after the bill's effective date, any guidance document that does not comply with the requirements in the bill is considered to be rescinded.

Agency rule-making authority; settlement agreements

The bill provides that a settlement agreement, consent decree, or court order does not confer rule-making authority and cannot be used by an agency as authority to promulgate rules. The bill provides that no agency may agree to promulgate a rule as a term in any settlement agreement, consent decree, or stipulated order of a court unless the agency has explicit statutory authority to promulgate the rule at the time the settlement agreement, consent decree, or stipulated order of a court is executed.

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 5.02 (6m) (f) of the statutes is amended to read:

2 5.02 **(6m)** (f) An unexpired identification card issued by a university or college
3 in this state that is accredited, as defined in s. 39.30 (1) (d), or by a technical college
4 in this state that is a member of and governed by the technical college system under
5 ch. 38, that contains the date of issuance and signature of the individual to whom it
6 is issued and that contains an expiration date indicating that the card expires no
7 later than 2 years after the date of issuance if the individual establishes that he or
8 she is enrolled as a student at the university or college on the date that the card is
9 presented.

10 **SECTION 2.** 5.02 (12n) of the statutes is created to read:

11 5.02 **(12n)** "Overseas elector" means a U.S. citizen who is residing outside of
12 the United States, who is not disqualified from voting under s. 6.03, who has attained
13 or will attain the age of 18 by the date of an election at which the citizen proposes to
14 vote, who was last domiciled in this state or whose parent was last domiciled in this
15 state immediately prior to the parent's departure from the United States, and who
16 is not registered to vote or voting in any other state, territory, or possession.

17 **SECTION 3.** 5.02 (15m) of the statutes is created to read:

18 5.02 **(15m)** "Presidential preference primary" means the primary held on the
19 2nd Tuesday in March to express preferences for the person to be the presidential
20 candidate for each party in a year in which electors for president and vice president
21 are to be elected.

22 **SECTION 4.** 5.02 (21) of the statutes is amended to read:

23 5.02 **(21)** "Spring election" means the election held on the first Tuesday in April
24 to elect judicial, educational and municipal officers, and nonpartisan county officers
25 and sewerage commissioners ~~and to express preferences for the person to be the~~

1 ~~presidential candidate for each party in a year in which electors for president and~~
2 ~~vice president are to be elected.~~

3 **SECTION 5.** 5.05 (13) (c) of the statutes is amended to read:

4 5.05 **(13)** (c) The commission shall maintain a freely accessible system under
5 which a military elector, as defined in s. 6.34 (1) ~~(a)~~, or an overseas elector, ~~as defined~~
6 ~~in s. 6.34 (1) (b)~~, who casts an absentee ballot may ascertain whether the ballot has
7 been received by the appropriate municipal clerk.

8 **SECTION 6.** 5.05 (13) (d) 1. of the statutes is amended to read:

9 5.05 **(13)** (d) 1. To permit a military elector, as defined in s. 6.34 (1) ~~(a)~~, or an
10 overseas elector, ~~as defined in s. 6.34 (1) (b)~~, to request a voter registration
11 application or an application for an absentee ballot at any election at which the
12 elector is qualified to vote in this state.

13 **SECTION 7.** 5.60 (8) (am) of the statutes is amended to read:

14 5.60 **(8)** (am) Except as authorized in s. 5.655, there shall be a separate ballot
15 for each recognized political party filing a certification under s. 8.12 (1), listing the
16 names of all potential candidates of that party determined under s. 8.12 and
17 affording, in addition, an opportunity to the voter to nominate another potential
18 candidate by write-in vote or to vote for an uninstructed delegation to the party
19 convention. The order of presidential candidates on the ballot shall be determined
20 by lot by or under the supervision of the commission. Each voter shall be given the
21 ballots of all the parties participating in the presidential preference vote primary, but
22 may vote on one ballot only.

23 **SECTION 8.** 6.22 (2) (b) of the statutes is amended to read:

24 6.22 **(2)** (b) A military elector shall make and subscribe to the certification
25 under s. 6.87 (2) before a witness who is an adult U.S. ~~citizen~~.

1 **SECTION 9.** 6.22 (2) (e) of the statutes is amended to read:

2 6.22 (2) (e) A military elector may file an application for an absentee ballot by
3 means of electronic mail or facsimile transmission in the manner prescribed in s. 6.86
4 (1) (ac). Upon receipt of a valid application, the municipal clerk shall send the elector
5 an absentee ballot or, if the elector is a military elector, as defined in s. 6.34 (1) (a),
6 and the elector so requests, shall transmit an absentee ballot to the elector by means
7 of electronic mail or facsimile transmission in the manner prescribed in s. 6.87 (3)
8 (d).

9 **SECTION 10.** 6.22 (4) (a) of the statutes is amended to read:

10 6.22 (4) (a) Upon receiving a timely request for an absentee ballot under par.
11 (b) by an individual who qualifies as a military elector, the municipal clerk shall send
12 or, if the individual is a military elector as defined in s. 6.34 (1) (a), shall transmit
13 to the elector upon the elector's request an absentee ballot for all elections that occur
14 in the municipality or portion thereof where the elector resides in the same calendar
15 year in which the request is received, unless the individual otherwise requests.

16 **SECTION 11.** 6.22 (4) (c) of the statutes is amended to read:

17 6.22 (4) (c) A military elector may indicate an alternate address on his or her
18 absentee ballot application. If the elector's ballot is returned as undeliverable prior
19 to the deadline for return of absentee ballots under s. 6.87 (6), and the elector remains
20 eligible to receive absentee ballots under this section, the municipal clerk shall
21 immediately send or, if the elector is a military elector as defined in s. 6.34 (1) (a),
22 transmit an absentee ballot to the elector at the alternate address.

23 **SECTION 12.** 6.24 (2) of the statutes is amended to read:

24 6.24 (2) **ELIGIBILITY.** An overseas elector ~~under sub. (1)~~ may vote in any election
25 for national office, including the partisan primary and presidential preference

1 primary and any special primary or election. Such elector may not vote in an election
2 for state or local office unless the elector qualifies as a resident of this state under
3 s. 6.10. An overseas elector shall vote in the ward or election district in which the
4 elector was last domiciled or in which the elector's parent was last domiciled prior
5 to departure from the United States.

6 **SECTION 13.** 6.24 (4) (c) of the statutes is amended to read:

7 6.24 (4) (c) Upon receipt of a timely application from an individual who
8 qualifies as an overseas elector and who has registered to vote in a municipality
9 under sub. (3), the municipal clerk of the municipality shall send, or if the individual
10 is an overseas elector, as defined in ~~s. 6.34 (1) (b)~~, shall transmit, an absentee ballot
11 to the individual upon the individual's request for all subsequent elections for
12 national office to be held during the year in which the ballot is requested, except as
13 otherwise provided in this paragraph, unless the individual otherwise requests or
14 until the individual no longer qualifies as an overseas elector of the municipality.
15 The clerk shall not send an absentee ballot for an election if the overseas elector's
16 name appeared on the registration list in eligible status for a previous election
17 following the date of the application but no longer appears on the list in eligible
18 status. The municipal clerk shall ensure that the envelope containing the absentee
19 ballot is clearly marked as not forwardable. If an overseas elector who files an
20 application under this subsection no longer resides at the same address that is
21 indicated on the application form, the elector shall so notify the municipal clerk.

22 **SECTION 14.** 6.24 (4) (d) of the statutes is amended to read:

23 6.24 (4) (d) An overseas elector, regardless of whether the elector qualifies as
24 a resident of this state under s. 6.10, who is not registered may request both a
25 registration form and an absentee ballot at the same time, and the municipal clerk

1 shall send or transmit the ballot automatically if the registration form is received
2 within the time prescribed in s. 6.28 (1). The commission shall prescribe a special
3 certificate form for the envelope in which the absentee ballot for such overseas
4 electors is contained, which shall be substantially similar to that provided under s.
5 6.87 (2). ~~An~~ The overseas elector shall make and subscribe to the special certificate
6 form before a witness who is an adult U.S. citizen.

7 **SECTION 15.** 6.24 (4) (e) of the statutes is amended to read:

8 6.24 (4) (e) An overseas elector, regardless of whether the elector qualifies as
9 a resident of this state under s. 6.10, may file an application for an absentee ballot
10 by means of electronic mail or facsimile transmission in the manner prescribed in s.
11 6.86 (1) (ac). Upon receipt of a valid application, the municipal clerk shall send the
12 elector an absentee ballot or, if the elector ~~is an overseas elector, as defined in s. 6.34~~
13 ~~(1) (b) and the elector~~ so requests, shall transmit an absentee ballot to the elector by
14 means of electronic mail or facsimile transmission in the manner prescribed in s. 6.87
15 (3) (d).

16 **SECTION 16.** 6.25 (1) (b) of the statutes is amended to read:

17 6.25 (1) (b) Any individual who qualifies as an overseas elector ~~under s. 6.24~~
18 ~~(1), regardless of whether the elector qualifies as a resident of this state under s. 6.10,~~
19 and who transmits an application for an official absentee ballot for an election ~~for~~
20 ~~national office~~, including a primary election, no later than the latest time specified
21 for an elector in s. 6.86 (1) (b) may, in lieu of the official ballot, cast a federal write-in
22 absentee ballot prescribed under 42 USC 1973ff-2 for any candidate or for all
23 candidates of any recognized political party ~~for national office~~ listed on the official
24 ballot at that election, if the federal write-in absentee ballot is received by the

1 appropriate municipal clerk no later than the applicable time prescribed in s. 6.87
2 (6).

3 **SECTION 17.** 6.276 (1) of the statutes is amended to read:

4 6.276 (1) In this section, “military elector” and ~~“overseas elector”~~ have has the
5 meanings meaning given in s. 6.34 (1).

6 **SECTION 18.** 6.34 (1) (intro.) and (a) of the statutes are consolidated,
7 renumbered 6.34 (1) and amended to read:

8 6.34 (1) In this section: (a) ~~“Military,~~ “military elector” means a member of a
9 uniformed service on active duty who, by reason of that duty, is absent from the
10 residence where the member is otherwise qualified to vote; a member of the
11 merchant marine, as defined in s. 6.22 (1) (a), who by reason of service in the
12 merchant marine, is absent from the residence where the member is otherwise
13 qualified to vote; or the spouse or dependent of any such member who, by reason of
14 the duty or service of the member, is absent from the residence where the spouse or
15 dependent is otherwise qualified to vote.

16 **SECTION 19.** 6.34 (1) (b) of the statutes is repealed.

17 **SECTION 20.** 6.86 (1) (b) of the statutes is amended to read:

18 6.86 (1) (b) Except as provided in this section, if application is made by mail,
19 the application shall be received no later than 5 p.m. on the 5th day immediately
20 preceding the election. If application is made in person, the application shall be
21 made no earlier than ~~the opening of business on the 3rd Monday~~ Saturday preceding
22 the election and no later than 7 p.m. on the Friday preceding the election. No
23 application may be received on a legal holiday. An application made in person may
24 only be received Monday to ~~Friday~~ Saturday between the hours of 8 a.m. and 7 p.m.
25 each day. A municipality shall specify the hours in the notice under s. 10.01 (2) (e).

1 The municipal clerk or an election official shall witness the certificate for any
2 in-person absentee ballot cast. Except as provided in par. (c), if the elector is making
3 written application for an absentee ballot at the partisan primary, the general
4 election, the presidential preference primary, or a special election for national office,
5 and the application indicates that the elector is a military elector, as defined in s. 6.34
6 (1), the application shall be received by the municipal clerk no later than 5 p.m. on
7 election day. If the application indicates that the reason for requesting an absentee
8 ballot is that the elector is a sequestered juror, the application shall be received no
9 later than 5 p.m. on election day. If the application is received after 5 p.m. on the
10 Friday immediately preceding the election, the municipal clerk or the clerk's agent
11 shall immediately take the ballot to the court in which the elector is serving as a juror
12 and deposit it with the judge. The judge shall recess court, as soon as convenient,
13 and give the elector the ballot. The judge shall then witness the voting procedure as
14 provided in s. 6.87 and shall deliver the ballot to the clerk or agent of the clerk who
15 shall deliver it to the polling place or, in municipalities where absentee ballots are
16 canvassed under s. 7.52, to the municipal clerk as required in s. 6.88. If application
17 is made under sub. (2) or (2m), the application may be received no later than 5 p.m.
18 on the Friday immediately preceding the election.

19 **SECTION 21.** 6.865 (1) of the statutes is amended to read:

20 6.865 (1) In this section, "military elector" and ~~"overseas elector"~~ have has the
21 ~~meanings meaning~~ given under s. 6.34 (1).

22 **SECTION 22.** 6.87 (2) of the statutes is amended to read:

23 6.87 (2) Except as authorized under sub. (3) (d), the municipal clerk shall place
24 the ballot in an unsealed envelope furnished by the clerk. The envelope shall have
25 the name, official title and post-office address of the clerk upon its face. The other

1 side of the envelope shall have a printed certificate which shall include a space for
2 the municipal clerk or deputy clerk to enter his or her initials indicating that if the
3 absentee elector voted in person under s. 6.86 (1) (ar), the elector presented proof of
4 identification to the clerk and the clerk verified the proof presented. The certificate
5 shall also include a space for the municipal clerk or deputy clerk to enter his or her
6 initials indicating that the elector is exempt from providing proof of identification
7 because the individual is a military elector or an overseas elector who does not
8 qualify as a resident of this state under s. 6.10 or is exempted from providing proof
9 of identification under sub. (4) (b) 2. or 3. The certificate shall be in substantially the
10 following form:

11 [STATE OF

12 County of]

13 or

14 [(name of foreign country and city or other jurisdictional unit)]

15 I, ..., certify subject to the penalties of s. 12.60 (1) (b), Wis. Stats., for false
16 statements, that I am a resident of the [... ward of the] (town) (village) of ..., or of
17 the ... aldermanic district in the city of ..., residing at ...* in said city, the county
18 of ..., state of Wisconsin, and am entitled to vote in the (ward) (election district) at
19 the election to be held on ...; that I am not voting at any other location in this election;
20 that I am unable or unwilling to appear at the polling place in the (ward) (election
21 district) on election day or have changed my residence within the state from one ward
22 or election district to another later than 28 days before the election. I certify that I
23 exhibited the enclosed ballot unmarked to the witness, that I then in (his) (her)
24 presence and in the presence of no other person marked the ballot and enclosed and
25 sealed the same in this envelope in such a manner that no one but myself and any

1 person rendering assistance under s. 6.87 (5), Wis. Stats., if I requested assistance,
2 could know how I voted.

3 Signed

4 Identification serial number, if any:

5 The witness shall execute the following:

6 I, the undersigned witness, subject to the penalties of s. 12.60 (1) (b), Wis.
7 Stats., for false statements, certify that I am an adult U.S. citizen** and that the
8 above statements are true and the voting procedure was executed as there stated.
9 I am not a candidate for any office on the enclosed ballot (except in the case of an
10 incumbent municipal clerk). I did not solicit or advise the elector to vote for or against
11 any candidate or measure.

12(Name Printed name)

13(Address)***_

14 Signed

15 * — An elector who provides an identification serial number issued under s.
16 6.47 (3), Wis. Stats., need not provide a street address.

17 ** — An individual who serves as a witness for a military elector or an overseas
18 elector voting absentee, regardless of whether the elector qualifies as a resident of
19 Wisconsin under s. 6.10, Wis. Stats., need not be a U.S. citizen but must be 18 years
20 of age or older.

21 *** — If this form is executed before 2 special voting deputies under s. 6.875 (6),
22 Wis. Stats., both deputies shall witness and sign.

23 **SECTION 23.** 6.87 (3) (d) of the statutes is amended to read:

24 6.87 (3) (d) A municipal clerk shall, if the clerk is reliably informed by a military
25 elector, as defined in s. 6.34 (1) (a), or an overseas elector, as defined in s. 6.34 (1) (b)

1 regardless of whether the elector qualifies as a resident of this state under s. 6.10,
2 of a facsimile transmission number or electronic mail address where the elector can
3 receive an absentee ballot, transmit a facsimile or electronic copy of the elector's
4 ballot to that elector in lieu of mailing under this subsection. An elector may receive
5 an absentee ballot only if the elector is a military elector or an overseas elector ~~under~~
6 ~~s. 6.34 (1)~~ and has filed a valid application for the ballot as provided in s. 6.86 (1).
7 If the clerk transmits an absentee ballot to a military or overseas elector
8 electronically, the clerk shall also transmit a facsimile or electronic copy of the text
9 of the material that appears on the certificate envelope prescribed in sub. (2),
10 together with instructions prescribed by the commission. The instructions shall
11 require the military or overseas elector to make and subscribe to the certification as
12 required under sub. (4) (b) and to enclose the absentee ballot in a separate envelope
13 contained within a larger envelope, that shall include the completed certificate. The
14 elector shall then affix sufficient postage unless the absentee ballot qualifies for
15 mailing free of postage under federal free postage laws and shall mail the absentee
16 ballot to the municipal clerk. Except as authorized in s. 6.97 (2), an absentee ballot
17 received from a military or overseas elector who receives the ballot electronically
18 shall not be counted unless it is cast in the manner prescribed in this paragraph and
19 sub. (4) and in accordance with the instructions provided by the commission.

20 **SECTION 24.** 6.87 (4) (a) (intro.) and 1. of the statutes are consolidated,
21 renumbered 6.87 (4) (a) and amended to read:

22 6.87 (4) (a) In this subsection: 1. ~~"Military,~~ "military elector" has the meaning
23 given in s. 6.34 (1) ~~(a)~~.

24 **SECTION 25.** 6.87 (4) (a) 2. of the statutes is repealed.

25 **SECTION 26.** 6.87 (4) (b) 1. of the statutes is amended to read:

1 6.87 (4) (b) 1. Except as otherwise provided in s. 6.875, the an elector voting
2 absentee, other than a military elector or an overseas elector, shall make and
3 subscribe to the certification before one witness who is an adult U.S. citizen. A
4 military elector or an overseas elector voting absentee, regardless of whether the
5 elector qualifies as a resident of this state under s. 6.10, shall make and subscribe
6 to the certification before one witness who is an adult but who need not be a U.S.
7 citizen. The absent elector, in the presence of the witness, shall mark the ballot in
8 a manner that will not disclose how the elector's vote is cast. The elector shall then,
9 still in the presence of the witness, fold the ballots so each is separate and so that the
10 elector conceals the markings thereon and deposit them in the proper envelope. If
11 a consolidated ballot under s. 5.655 is used, the elector shall fold the ballot so that
12 the elector conceals the markings thereon and deposit the ballot in the proper
13 envelope. If proof of residence under s. 6.34 is required and the document enclosed
14 by the elector under this subdivision does not constitute proof of residence under s.
15 6.34, the elector shall also enclose proof of residence under s. 6.34 in the envelope.
16 Except as provided in s. 6.34 (2m), proof of residence is required if the elector is not
17 a military elector or an overseas elector and the elector registered by mail or by
18 electronic application and has not voted in an election in this state. If the elector
19 requested a ballot by means of facsimile transmission or electronic mail under s. 6.86
20 (1) (ac), the elector shall enclose in the envelope a copy of the request which bears an
21 original signature of the elector. The elector may receive assistance under sub. (5).
22 The return envelope shall then be sealed. The witness may not be a candidate. The
23 envelope shall be mailed by the elector, or delivered in person, to the municipal clerk
24 issuing the ballot or ballots. If the envelope is mailed from a location outside the
25 United States, the elector shall affix sufficient postage unless the ballot qualifies for

1 delivery free of postage under federal law. Failure to return an unused ballot in a
2 primary does not invalidate the ballot on which the elector's votes are cast. Return
3 of more than one marked ballot in a primary or return of a ballot prepared under s.
4 5.655 or a ballot used with an electronic voting system in a primary which is marked
5 for candidates of more than one party invalidates all votes cast by the elector for
6 candidates in the primary.

7 **SECTION 27.** 6.88 (1) of the statutes is amended to read:

8 6.88 (1) When an absentee ballot arrives at the office of the municipal clerk,
9 or at an alternate site under s. 6.855, if applicable, the clerk shall enclose it,
10 unopened, in a carrier envelope which shall be securely sealed and endorsed with the
11 name and official title of the clerk, and the words "This envelope contains the ballot
12 of an absent elector and must be opened in the same room where votes are being cast
13 at the polls during polling hours on election day or, in municipalities where absentee
14 ballots are canvassed under s. 7.52, stats., at a meeting of the municipal board of
15 absentee ballot canvassers under s. 7.52, stats.": If the elector is a military elector,
16 as defined in s. 6.34 (1) (a), or an overseas elector, ~~as defined in s. 6.34 (1) (b)~~
17 regardless of whether the elector qualifies as a resident of this state under s. 6.10,
18 and the ballot was received by the elector by facsimile transmission or electronic mail
19 and is accompanied by a separate certificate, the clerk shall enclose the ballot in a
20 certificate envelope and securely append the completed certificate to the outside of
21 the envelope before enclosing the ballot in the carrier envelope. The clerk shall keep
22 the ballot in the clerk's office or at the alternate site, if applicable until delivered, as
23 required in sub. (2).

24 **SECTION 28.** 6.97 (1) of the statutes is amended to read:

1 6.97 (1) Whenever any individual who is required to provide proof of residence
2 under s. 6.34 in order to be permitted to vote appears to vote at a polling place and
3 cannot provide the required proof of residence, the inspectors shall offer the
4 opportunity for the individual to vote under this section. Whenever any individual,
5 other than a military elector, as defined in s. 6.34 (1) (a), ~~or~~, an overseas elector, as
6 defined in s. 6.34 (1) (b), or an elector who has a confidential listing under s. 6.47 (2),
7 appears to vote at a polling place and does not present proof of identification under
8 s. 6.79 (2), whenever required, the inspectors or the municipal clerk shall similarly
9 offer the opportunity for the individual to vote under this section. If the individual
10 wishes to vote, the inspectors shall provide the elector with an envelope marked
11 "Ballot under s. 6.97, stats." on which the serial number of the elector is entered and
12 shall require the individual to execute on the envelope a written affirmation stating
13 that the individual is a qualified elector of the ward or election district where he or
14 she offers to vote and is eligible to vote in the election. The inspectors shall, before
15 giving the elector a ballot, write on the back of the ballot the serial number of the
16 individual corresponding to the number kept at the election on the poll list or other
17 list maintained under s. 6.79 and the notation "s. 6.97". If voting machines are used
18 in the municipality where the individual is voting, the individual's vote may be
19 received only upon an absentee ballot furnished by the municipal clerk which shall
20 have the corresponding number from the poll list or other list maintained under s.
21 6.79 and the notation "s. 6.97" written on the back of the ballot by the inspectors
22 before the ballot is given to the elector. When receiving the individual's ballot, the
23 inspectors shall provide the individual with written voting information prescribed
24 by the commission under s. 7.08 (8). The inspectors shall indicate on the list the fact
25 that the individual is required to provide proof of residence or proof of identification

1 under s. 6.79 (2) but did not do so. The inspectors shall notify the individual that he
2 or she may provide proof of residence or proof of identification to the municipal clerk
3 or executive director of the municipal board of election commissioners. The
4 inspectors shall also promptly notify the municipal clerk or executive director of the
5 name, address, and serial number of the individual. The inspectors shall then place
6 the ballot inside the envelope and place the envelope in a separate carrier envelope.

7 **SECTION 29.** 7.08 (2) (d) of the statutes is amended to read:

8 7.08 (2) (d) As soon as possible after ~~the last Tuesday in January~~ December 15
9 of each year preceding the year in which there is a presidential election, the
10 commission shall transmit to each county clerk a certified list of candidates for
11 president who have qualified to have their names appear on the presidential
12 preference primary ballot.

13 **SECTION 30.** 7.15 (1) (cm) of the statutes is amended to read:

14 7.15 (1) (cm) Prepare official absentee ballots for delivery to electors requesting
15 them, and except as provided in this paragraph, send an official absentee ballot to
16 each elector who has requested a ballot by mail, and to each military elector, as
17 defined in s. 6.34 (1) (a), and overseas elector, ~~as defined in s. 6.34 (1) (b)~~, who has
18 requested a ballot by mail, electronic mail, or facsimile transmission, no later than
19 the 47th day before each partisan primary and general election and no later than the
20 21st day before each other primary and election if the request is made before that
21 day; otherwise, the municipal clerk shall send or transmit an official absentee ballot
22 within one business day of the time the elector's request for such a ballot is received.
23 The clerk shall send or transmit an absentee ballot for the presidential preference
24 primary to each elector who has requested that ballot no later than the 47th day
25 before the presidential preference primary if the request is made before that day, or,

1 if the request is not made before that day, within one business day of the time the
2 request is received. For purposes of this paragraph, "business day" means any day
3 from Monday to Friday, not including a legal holiday under s. 995.20.

4 **SECTION 31.** 7.15 (1) (j) of the statutes is amended to read:

5 7.15 (1) (j) Send an absentee ballot automatically to each elector and send or
6 transmit an absentee ballot to each military elector, as defined in s. 6.34 (1) (a), and
7 each overseas elector, ~~as defined in s. 6.34 (1) (b),~~ making an authorized request
8 therefor in accordance with s. 6.22 (4), 6.24 (4) (e), or 6.86 (2) or (2m).

9 **SECTION 32.** 8.12 (1) of the statutes is amended to read:

10 8.12 (1) SELECTION OF NAMES FOR BALLOT. (a) No later than 5 p.m. on the 2nd
11 ~~Tuesday in December~~ November 15 of the year before each year in which electors for
12 president and vice president are to be elected, the state chairperson of each
13 recognized political party listed on the official ballot at the last gubernatorial election
14 whose candidate for governor received at least 10 percent of the total votes cast for
15 that office may certify to the commission that the party will participate in the
16 presidential preference primary. For each party filing such a certification, the voters
17 of this state shall at the spring election be given an opportunity to express their
18 preference for the person to be the presidential candidate of that party.

19 (b) ~~On the first Tuesday in January~~ No later than December 1 of each year, ~~or~~
20 ~~the next day if Tuesday is a holiday, preceding the year~~ in which electors for president
21 and vice president are to be elected, there shall be convened in the capitol a
22 committee consisting of, for each party filing a certification under this subsection,
23 the state chairperson of that state party organization or the chairperson's designee,
24 one national committeeman and one national committeewoman designated by the
25 state chairperson; the speaker and the minority leader of the assembly or their

1 designees, and the president and the minority leader of the senate or their designees.

2 All designations shall be made in writing to the commission. This committee shall
3 organize by selecting an additional member who shall be the chairperson and shall
4 determine, and certify to the commission, no later than on the Friday following the
5 date on which the committee convenes under this paragraph, the names of all
6 candidates of the political parties represented on the committee for the office of
7 president of the United States. The committee shall place the names of all
8 candidates whose candidacy is generally advocated or recognized in the national
9 news media throughout the United States on the ballot, and may, in addition, place
10 the names of other candidates on the ballot. The committee shall have sole discretion
11 to determine that a candidacy is generally advocated or recognized in the national
12 news media throughout the United States.

13 (c) No later than 5 p.m. on ~~the last Tuesday in January~~ December 15 of each
14 year preceding a presidential election year, any person seeking the nomination by
15 the national convention of a political party filing a certification under this subsection
16 for the office of president of the United States, or any committee organized in this
17 state on behalf of and with the consent of such person, may submit to the commission
18 a petition to have the person's name appear on the presidential preference ballot.
19 The petition may be circulated no sooner than ~~the first Tuesday in January of such~~
20 year, or the next day if Tuesday is a holiday, December 1 of the year preceding the
21 presidential election year and shall be signed by a number of qualified electors equal
22 in each congressional district to not less than 1,000 signatures nor more than 1,500
23 signatures. The form of the petition shall conform to the requirements of s. 8.40. All
24 signers on each separate petition paper shall reside in the same congressional
25 district.

1 (d) The commission shall forthwith contact each person whose name has been
2 placed in nomination under par. (b) and notify him or her that his or her name will
3 appear on the Wisconsin presidential preference primary ballot unless he or she files,
4 no later than 5 p.m. on ~~the last Tuesday in January of such year~~ December 15 of the
5 year preceding a presidential election year, with the commission, a disclaimer
6 stating without qualification that he or she is not and does not intend to become a
7 candidate for the office of president of the United States at the forthcoming
8 presidential election. The disclaimer may be filed with the commission by certified
9 mail, telegram, or in person.

10 **SECTION 33.** 8.12 (3) of the statutes is amended to read:

11 8.12 (3) REPORTING OF RESULTS. No later than ~~May 15~~ March 31 following the
12 presidential preference primary, the commission shall notify each state party
13 organization chairperson under sub. (1) (b) of the results of the presidential
14 preference primary within the state and within each congressional district.

15 **SECTION 34.** 10.02 (3) (b) 3. of the statutes is amended to read:

16 10.02 (3) (b) 3. When casting a presidential preference primary vote, the elector
17 shall select the party ballot of his or her choice and make a cross (X) next to or depress
18 the button or lever next to the candidate's name for whom he or she intends to vote
19 or shall, in the alternative, make a cross (X) next to or depress the button or lever next
20 to the words "Uninstructed delegation", or shall write in the name of his or her choice
21 for a candidate.

22 **SECTION 35.** 10.06 (2) (d) of the statutes is amended to read:

23 10.06 (2) (d) On the Monday preceding the spring primary, when held, the
24 county clerk shall publish a type B notice. In a year in which the presidential

1 preference primary is held, the county clerk shall also publish notice of the
2 presidential preference primary.

3 **SECTION 36.** 10.06 (2) (g) of the statutes is amended to read:

4 10.06 (2) (g) On the Monday preceding the spring election, the county clerk
5 shall publish a type B notice containing the same information prescribed in par. (a).
6 ~~In a year in which the presidential preference primary is held, the county clerk shall~~
7 ~~also publish notice of the presidential preference primary.~~ In addition, the county
8 clerk shall publish a type C notice on the Monday preceding the spring election for
9 all state and county referenda to be voted upon by electors of the county.

10 **SECTION 37.** 11.0101 (32) of the statutes is amended to read:

11 11.0101 (32) "Spring election" means the election held on the first Tuesday in
12 April to elect judicial, educational, and municipal officers, and nonpartisan county
13 officers and sewerage commissioners, ~~and to express preferences for the person to be~~
14 ~~the presidential candidate for each political party in a year in which electors for~~
15 ~~president and vice president are to be elected.~~

16 **SECTION 38.** 13.103 of the statutes is created to read:

17 **13.103 Joint committee on finance; state operations expenditures**
18 **report. (1)** In this section:

19 (a) "State agency" means any office, department, or independent agency in the
20 executive branch of state government, other than the Board of Regents of the
21 University of Wisconsin System.

22 (b) "State operations" means all purposes except aids to individuals and
23 organizations and local assistance.

24 (2) Quarterly, beginning in January 2019, each state agency shall submit a
25 report to the joint committee on finance listing all state agency expenditures for state

1 operations in the preceding calendar quarter. The report shall specifically detail all
2 expenditures for administrative supplies and services that are made at the
3 discretion of or to be used by heads of state agencies, secretaries, deputy secretaries,
4 assistant deputy secretaries, and executive assistants.

5 **SECTION 39.** 13.124 of the statutes is created to read:

6 **13.124 Legal representation.** (1) (a) The speaker of the assembly, in his or
7 her sole discretion, may authorize a representative to the assembly or assembly
8 employee who requires legal representation to obtain legal counsel other than from
9 the department of justice, with the cost of representation paid from the appropriation
10 under s. 20.765 (1) (a), if the acts or allegations underlying the action are arguably
11 within the scope of the representative's or employee's duties. The speaker shall
12 approve all financial costs and terms of representation.

13 (b) The speaker of the assembly, in his or her sole discretion, may obtain legal
14 counsel other than from the department of justice, with the cost of representation
15 paid from the appropriation under s. 20.765 (1) (a), in any action in which the
16 assembly is a party or in which the interests of the assembly are affected, as
17 determined by the speaker. The speaker shall approve all financial costs and terms
18 of representation.

19 (2) (a) The senate majority leader, in his or her sole discretion, may authorize
20 a senator or senate employee who requires legal representation to obtain legal
21 counsel other than from the department of justice, with the cost of representation
22 paid from the appropriation under s. 20.765 (1) (b), if the acts or allegations
23 underlying the action are arguably within the scope of the senator's or employee's
24 duties. The senate majority leader shall approve all financial costs and terms of
25 representation.

1 (b) The senate majority leader, in his or her sole discretion, may obtain legal
2 counsel other than from the department of justice, with the cost of representation
3 paid from the appropriation under s. 20.765 (1) (b), in any action in which the senate
4 is a party or in which the interests of the senate are affected, as determined by the
5 senate majority leader. The senate majority leader shall approve all financial costs
6 and terms of representation.

7 **(3)** (a) The cochairpersons of the joint committee on legislative organization,
8 in their sole discretion, may authorize an employee of a legislative service agency, as
9 defined in s. 13.90 (1m) (a), who requires legal representation to obtain legal counsel
10 other than from the department of justice, with the cost of representation paid from
11 the appropriation under s. 20.765 (1) (a) or (b), as determined by the cochairpersons,
12 if the acts or allegations underlying the action are arguably within the scope of the
13 employee's duties. The cochairpersons shall approve all financial costs and terms of
14 representation.

15 (b) The cochairpersons of the joint committee on legislative organization, in
16 their sole discretion, may obtain legal counsel other than from the department of
17 justice, with the cost of representation paid from the appropriation under s. 20.765
18 (1) (a) or (b), as determined by the cochairpersons, in any action in which the
19 legislature is a party or in which the interests of the legislature are affected, as
20 determined by the cochairpersons. The cochairpersons shall approve all financial
21 costs and terms of representation.

22 **SECTION 40.** 13.127 of the statutes is created to read:

23 **13.127 Advice and consent of the senate.** Any individual nominated by the
24 governor or another state officer or agency, and with the advice and consent of the
25 senate appointed, to any office or position may not hold the office or position, be

1 nominated again for the office or position, or perform any duties of the office or
2 position during the legislative session biennium if the individual's confirmation for
3 the office or position is rejected by the senate.

4 **SECTION 41.** 13.365 of the statutes is created to read:

5 **13.365 Intervention.** Pursuant to s. 803.09 (2m), when a party to an action
6 challenges in state or federal court the constitutionality of a statute, facially or as
7 applied, or challenges a statute as violating or preempted by federal law, as part of
8 a claim or affirmative defense:

9 (1) The committee on assembly organization may intervene at any time in the
10 action on behalf of the assembly. The committee on assembly organization may
11 obtain legal counsel other than from the department of justice, with the cost of
12 representation paid from the appropriation under s. 20.765 (1) (a), to represent the
13 assembly in any action in which the assembly intervenes.

14 (2) The committee on senate organization may intervene at any time in the
15 action on behalf of the senate. The committee on senate organization may obtain
16 legal counsel other than from the department of justice, with the cost of
17 representation paid from the appropriation under s. 20.765 (1) (b), to represent the
18 senate in any action in which the senate intervenes.

19 (3) The joint committee on legislative organization may intervene at any time
20 in the action on behalf of the state. The joint committee on legislative organization
21 may obtain legal counsel other than from the department of justice, with the cost of
22 representation paid from the appropriation under s. 20.765 (1) (a) or (b), as
23 determined by the cochairpersons, to represent the state in any action in which the
24 joint committee on legislative organization intervenes.

25 **SECTION 42.** 13.48 (24m) of the statutes is created to read:

1 13.48 (24m) REPAYMENT OF PRINCIPAL ON SHORT-TERM COMMERCIAL PAPER. (a)
2 *Definition.* In this subsection, “commercial paper program” means a program
3 authorized by the building commission for the issuance of short-term, general
4 obligation debt in lieu of long-term, general obligation debt.

5 (b) *Amortization schedule required.* For each commercial paper program, the
6 building commission shall establish an amortization schedule for the repayment of
7 principal on debt issued under the program so that a portion of the principal amount
8 of each debt is retired annually over the life of the improvement or asset to which the
9 debt is related. The commission shall provide each amortization schedule
10 established under this paragraph to the joint committee on finance.

11 (c) *Schedule modification.* An amortization schedule established under par. (b)
12 may not be modified except as follows:

13 1. Before the building commission modifies the amortization schedule, the
14 commission shall notify the joint committee on finance in writing of the commission’s
15 intention to modify the amortization schedule. The notice shall describe each
16 modification and the reasons for making the modification.

17 2. If, within 14 working days after the date of the building commission’s notice
18 under subd. 1., the cochairpersons of the joint committee on finance do not notify the
19 commission that the committee has scheduled a meeting to review the commission’s
20 proposal, the commission may make each modification as proposed in the notice. If,
21 within 14 working days after the date of the commission’s notice under subd. 1., the
22 cochairpersons of the committee notify the commission that the committee has
23 scheduled a meeting to review the commission’s proposal, the commission may make
24 each proposed modification only upon approval of the committee.

25 SECTION 43. 13.489 (1m) (f) of the statutes is repealed.

1 **SECTION 44.** 13.489 (4) (d) of the statutes is repealed.

2 **SECTION 45.** 13.489 (4m) of the statutes is repealed.

3 **SECTION 46.** 13.56 (2) of the statutes is amended to read:

4 13.56 (2) PARTICIPATION IN CERTAIN PROCEEDINGS. The cochairpersons of the joint
5 committee for review of administrative rules or their designated agents shall accept
6 service made under ss. 227.40 (5) and 806.04 (11). If the committee determines that
7 the legislature should be represented in the proceeding, it shall request the joint
8 committee on legislative organization to designate the legislature's representative
9 for intervene in the proceeding as provided under s. 806.04 (11). The costs of
10 participation in the proceeding shall be paid equally from the appropriations under
11 s. 20.765 (1) (a) and (b), except that such costs incurred by the department of justice
12 shall be paid from the appropriation under s. 20.455 (1) (d).

13 **SECTION 47.** 13.90 (2) of the statutes is amended to read:

14 13.90 (2) The cochairpersons of the joint committee on legislative organization
15 or their designated agent shall accept service made under ~~s. ss.~~ ss. 806.04 (11) and
16 893.825 (2). If the committee, the senate organization committee, or the assembly
17 organization committee, determines that the legislature should be represented
18 intervene in the proceeding, that committee shall designate the legislature's
19 representative for the proceeding. as provided under s. 803.09 (2m), the assembly
20 shall represent the assembly, the senate shall represent the senate, and the joint
21 committee on legislative organization shall represent the state. In an action
22 involving the constitutionality of a statute, or challenging a statute as violating or
23 preempted by federal law, if the joint committee on legislative organization
24 determines at any time that the interests of the state will be best represented by
25 special counsel appointed by the legislature, it shall appoint special counsel to

1 represent state defendants and act instead of the attorney general and the attorney
2 general may not participate in the action. Special counsel appointed under this
3 subsection shall have the powers of the attorney general with respect to the litigation
4 to which special counsel has been appointed. The costs of participation in the
5 proceeding shall be paid equally from the appropriations under s. 20.765 (1) (a) and
6 (b), except that such costs incurred by the department of justice shall be paid from
7 the appropriation under s. 20.455 (1) (d).

8 **SECTION 48.** 13.90 (3) of the statutes is renumbered 13.90 (3) (c) and amended
9 to read:

10 13.90 (3) (c) The joint committee on legislative organization shall assign office
11 space for legislative offices and the offices of the legislative service agencies as
12 defined in sub. (1m). The joint committee may assign any space in the capitol not
13 reserved for other uses under s. 16.835. Except as provided in ss. 13.09 (6) and 13.45
14 (4) (c), the joint committee may locate any legislative office or the office of any
15 legislative service agency outside the capitol at another suitable building in the city
16 of Madison.

17 **SECTION 49.** 13.90 (3) (a) and (b) of the statutes are created to read:

18 13.90 (3) (a) In this subsection, "legislative service agency" has the meaning
19 given in sub. (1m).

20 (b) The cochairpersons of the joint committee on legislative organization shall
21 lease or acquire office space for legislative offices or legislative service agencies under
22 par. (c).

23 **SECTION 50.** 13.91 (1) (c) of the statutes is amended to read:

1 13.91 (1) (c) Perform the functions prescribed in ~~s. 227.15 for the review and~~
2 ~~resolution of problems~~ ch. 227 relating to administrative rules and guidance
3 documents.

4 **SECTION 51.** 15.07 (1) (b) 24. of the statutes is created to read:

5 15.07 (1) (b) 24. The 6 members of the group insurance board appointed under
6 s. 15.165 (2) (j).

7 **SECTION 52.** 15.165 (2) of the statutes is renumbered 15.165 (2) (intro) and
8 amended to read:

9 15.165 (2) GROUP INSURANCE BOARD. (intro.) There is created in the department
10 of employee trust funds a group insurance board. The board shall consist of the
11 following members:

12 (a) The governor, the or his or her designee.

13 (b) The attorney general, the or his or her designee.

14 (c) The secretary of administration, the director of the office of state
15 employment relations, and the or his or her designee.

16 (e) The commissioner of insurance or their designees, and 6 his or her designee.

17 (j) Six persons appointed for 2-year terms, of whom one shall be an insured
18 participant in the Wisconsin Retirement System who is not a teacher, one shall be
19 an insured participant in the Wisconsin Retirement System who is a teacher, one
20 shall be an insured participant in the Wisconsin Retirement System who is a retired
21 employee, one shall be an insured employee of a local unit of government, and one
22 shall be the chief executive or a member of the governing body of a local unit of
23 government that is a participating employer in the Wisconsin Retirement System.

24 **SECTION 53.** 15.165 (2) (d) and (f) to (i) of the statutes are created to read:

1 15.165 (2) (d) The administrator of the division of personnel management in
2 the department of administration or his or her designee.

3 (f) One individual appointed by the speaker of the assembly.

4 (g) One individual appointed by the minority leader of the assembly.

5 (h) One individual appointed by the majority leader of the senate.

6 (i) One individual appointed by the minority leader of the senate.

7 **SECTION 54.** 16.42 (5) of the statutes is created to read:

8 16.42 (5) (a) In this subsection, "fee" means any amount of money other than
9 a tax that an agency charges a person other than a governmental entity.

10 (b) Each agency required to submit a budget request under sub. (1) shall
11 include with its request a report that lists each fee the agency is required or
12 otherwise authorized to charge and that includes all of the following:

13 1. The amount of each fee, or, if a fee does not have a fixed amount, the method
14 of calculating the fee.

15 2. An identification of the agency's statutory authority to charge each fee.

16 3. A statement whether or not the agency currently charges the fee.

17 4. A description of whether and how each fee has increased or decreased since
18 the agency was first authorized to charge the fee.

19 5. Any recommendation the agency has concerning each fee.

20 **SECTION 55.** 16.84 (2m) of the statutes is created to read:

21 16.84 (2m) Send notice to the joint committee on legislative organization of any
22 proposed changes to security at the capitol, including the posting of a firearm
23 restriction under s. 943.13 (1m) (c) 2. or 4. If, within 14 working days after the date
24 of the notice, the cochairpersons of the joint committee on legislative organization do
25 not notify the department that the committee has scheduled a meeting to review the

1 department's proposal, the department may implement the changes as proposed in
2 the notice. If, within 14 working days after the date of the department's notice, the
3 cochairpersons of the committee notify the department that the committee has
4 scheduled a meeting to review the department's proposal, the department may
5 implement the proposed changes only upon approval of the committee.

6 **SECTION 56.** 16.84 (5) (d) of the statutes is repealed.

7 **SECTION 57.** 16.973 (15) of the statutes is created to read:

8 16.973 (15) By October 1 of each year, submit to the joint committee on finance
9 and the legislature under s. 13.172 (2) a report on the administration of the
10 information technology and communication services self-funded portal. The report
11 shall include the following information regarding the portal for the immediately
12 preceding fiscal year:

13 (a) A financial statement of state revenues and expenditures.

14 (b) A list of services available through the portal, identifying services added
15 since the previous reporting period.

16 (c) Fees charged for each service available through the portal.

17 (d) The activity level of each service available through the portal.

18 (e) Any other information the department determines to be appropriate to
19 include.

20 **SECTION 58.** 20.005 (3) (schedule) of the statutes: at the appropriate place,
21 insert the following amounts for the purposes indicated:

				2017-18	2018-19
1	20.445 Workforce development, department of				
2	(1) WORKFORCE DEVELOPMENT				
3	(bz) Career and technical education				
4	incentive grants	GPR	A	-0-	3,500,000
5	(cg) Technical education equipment				
6	grants	GPR	A	-0-	500,000
7	(dg) Teacher development program				
8	grants	GPR	A	-0-	-0-
9	(dr) Apprenticeship programs	GPR	A	-0-	225,000
10	(e) Local youth apprenticeship				
11	grants	GPR	A	-0-	2,233,700
12	(fg) Employment transit assistance				
13	grants	GPR	A	-0-	464,800
14	(fm) Youth summer jobs programs	GPR	A	-0-	422,400

****NOTE: Under current law, DWD must allocate not less than \$3,500,000 in each fiscal year for career and technical education incentive grants under s. 106.273 (3), stats. I used that number for the appropriation under s. 20.445 (1) (bz), as created in this bill.

****NOTE: Under current law, DWD may allocate up to \$500,000 in each fiscal year for technical education equipment grants under s. 106.275, stats. I used that number for the appropriation under s. 20.445 (1) (cg), as created in this bill.

****NOTE: The teacher development program grants under s. 106.272, stats., were created in 2017 Wisconsin Act 59, and current law does not allocate a specific dollar amount for those grants. As currently drafted, this bill appropriates \$0 for the appropriation under s. 20.445 (1) (dg), as created in this bill.

****NOTE: Before 2015 Wisconsin Act 348 combined the appropriation for the apprenticeship completion award program under s. 106.05 (2), stats., with the Fast Forward appropriation, \$225,000 was appropriated for that program in each fiscal year. I used that number for the appropriation under s. 20.445 (1) (dr), as created in this bill.

****NOTE: Before 2015 Wisconsin Act 348 combined the appropriation for the local youth apprenticeship grants under s. 106.13 (3m), stats., with the Fast Forward

appropriation, \$2,233,700 was appropriated for that program in each fiscal year. I used that number for the appropriation under s. 20.445 (1) (e), as created in this bill.

****NOTE: Before 2015 Wisconsin Act 348 combined the appropriation for the employment transit assistance grants under s. 106.26, stats., with the Fast Forward appropriation, \$464,800 was appropriated for that program in each fiscal year. I used that number for the appropriation under s. 20.445 (1) (fg), as created in this bill.

****NOTE: Before 2015 Wisconsin Act 348 combined the appropriation for the youth summer jobs program under s. 106.18, stats., with the Fast Forward appropriation, \$422,400 was appropriated for that program in each fiscal year. I used that number for the appropriation under s. 20.445 (1) (fm), as created in this bill.

****NOTE: All appropriations created in this bill are annual, and the bill converts the Fast Forward appropriation to an annual appropriation. Let me know if that is not consistent with your intent.

1 **SECTION 59.** 20.395 (2) (fq) of the statutes is repealed.

2 **SECTION 60.** 20.445 (1) (b) of the statutes is amended to read:

3 20.445 (1) (b) *Workforce training; programs, grants, and services.* ~~As a~~
4 ~~continuing appropriation, the~~ The amounts in the schedule for the local youth
5 ~~apprenticeship grants under s. 106.13 (3m), youth summer jobs programs under s.~~
6 ~~106.18, employment transit assistance grants under s. 106.26, workforce training~~
7 ~~programs, grants, and services under s. 106.27 (1), (1g), (1j), and (1r), teacher~~
8 ~~development program grants under s. 106.272, career and technical education~~
9 ~~incentive grants under s. 106.273 (3), technical education equipment grants under~~
10 ~~s. 106.275, and apprentice programs under subch. I of ch. 106.~~

****NOTE: When 2015 Wisconsin Act 348 combined the DWD appropriations into s. 20.445 (1) (b), the act also expanded s. 20.445 (1) (bm) to provide a pot of money for administration costs associated with the various workforce training programs funded from the appropriation under s. 20.445 (1) (b). As currently drafted, this bill does not break apart s. 20.445 (1) (bm). Please let me know if that is not consistent with your intent.

****NOTE: As a result of a cross-reference in s. 106.27 (3), stats., to s. 20.445 (1) (b), stats., removing the various workforce training programs from the appropriation under s. 20.445 (1) (b), stats., results in those removed programs not being included in the report DWD prepares under s. 106.27 (3), stats. Please let me know if that is not consistent with your intent.

11 **SECTION 61.** 20.445 (1) (bz) of the statutes is created to read:

1 20.445 (1) (bz) *Career and technical education incentive grants*. The amounts
2 in the schedule for the career and technical education incentive grants under s.
3 106.273 (3).

 ****NOTE: 2017 Wisconsin Act 336 created s. 20.445 (1) (c), stats., which provides
a sum sufficient appropriation for career and technical education completion awards
under s. 106.273 (4), stats. As currently drafted, this bill retains s. 20.445 (1) (c), stats.,
as a separate appropriation. Let me know if that is not consistent with your intent.

4 **SECTION 62.** 20.445 (1) (cg) of the statutes is created to read:

5 20.445 (1) (cg) *Technical education equipment grants*. The amounts in the
6 schedule for the technical education equipment grants under s. 106.275.

7 **SECTION 63.** 20.445 (1) (dg) of the statutes is created to read:

8 20.445 (1) (dg) *Teacher development program grants*. The amounts in the
9 schedule for the teacher development program grants under s. 106.272.

10 **SECTION 64.** 20.445 (1) (dr) of the statutes is created to read:

11 20.445 (1) (dr) *Apprenticeship programs*. The amounts in the schedule for the
12 apprentice programs under subch. I of ch. 106.

 ****NOTE: Under s. 20.445 (1) (d), 2013 stats., the purpose of this appropriation was
limited to the apprenticeship completion award program under s. 106.05 (2), stats. The
purpose was expanded in 2017 Wisconsin Act 59 to include all apprentice programs under
subch. I of ch. 106. Let me know if you want to limit the appropriation to its pre-Act 59
scope.

13 **SECTION 65.** 20.445 (1) (e) of the statutes is created to read:

14 20.445 (1) (e) *Local youth apprenticeship grants*. The amounts in the schedule
15 for local youth apprenticeship grants under s. 106.13 (3m).

16 **SECTION 66.** 20.445 (1) (fg) of the statutes is created to read:

17 20.445 (1) (fg) *Employment transit assistance grants*. The amounts in the
18 schedule for the employment transit assistance grants under s. 106.26.

19 **SECTION 67.** 20.445 (1) (fm) of the statutes is created to read:

1 20.445 (1) (fm) *Youth summer jobs programs*. The amounts in the schedule for
2 youth summer jobs programs in 1st class cities under s. 106.18.

3 **SECTION 68.** 20.455 (1) (gh) of the statutes is amended to read:

4 20.455 (1) (gh) *Investigation and prosecution*. Moneys received under ss. 23.22
5 (9) (c), 49.49 (6), 100.263, 133.16, 281.98 (2), 283.91 (5), 289.96 (3) (b), 291.97 (3),
6 292.99 (2), 293.87 (4) (b), 295.19 (3) (b) 2., 295.79 (4) (b), and 299.97 (2), for the
7 expenses of investigation and prosecution of violations, including attorney fees, and
8 for expenses related to s. 165.055 (3).

9 **SECTION 69.** 20.455 (2) (gb) of the statutes is amended to read:

10 20.455 (2) (gb) *Gifts and grants*. The amounts in the schedule to carry out the
11 purposes for which gifts and grants are made and received. All moneys received from
12 gifts and grants, other than moneys received for and credited to another
13 appropriation account under this subsection, ~~to carry out the purposes for which~~
14 ~~made and received~~ shall be credited to this appropriation account.

15 **SECTION 70.** 20.455 (3) (g) of the statutes is amended to read:

16 20.455 (3) (g) *Gifts, grants and proceeds*. The amounts in the schedule to carry
17 out the purposes for which gifts and grants are made and collected. All moneys
18 received from gifts and grants and all proceeds from services, conferences, and sales
19 of publications and promotional materials ~~to carry out the purposes for which made~~
20 ~~or collected~~, except as provided in sub. (2) (gm) and (gp) and to transfer to s. 20.505
21 (1) (kg), at the discretion of the attorney general, an amount not to exceed \$98,300
22 annually, shall be credited to this appropriation account.

23 **SECTION 71.** 35.93 (2) (b) 3. im. of the statutes is created to read:

24 35.93 (2) (b) 3. im. Notices of public comment periods on proposed guidance
25 documents under s. 227.112 (1) (a).

Insert
75B →

1 **SECTION 72.** 45.57 of the statutes is amended to read:

2 **45.57 Veterans homes; transfer of funding.** The department may transfer
3 all or part of the unencumbered balance of any of the appropriations under s. 20.485
4 (1) (g), (gd), (gk), or (i) to the veterans trust fund or to the veterans mortgage loan
5 repayment fund. The department shall notify the joint committee on finance in
6 writing of any balance transferred under this section.

7 **SECTION 73.** 49.175 (2) (a) of the statutes is amended to read:

8 **49.175 (2) (a)** The department may not reallocate funds that are allocated
9 under a paragraph under sub. (1) for any purpose specified in a paragraph under sub.
10 (1) ~~if the secretary of administration approves the reallocation~~ unless the
11 department first notifies the joint committee on finance in writing of the proposed
12 reallocation. If the cochairpersons of the committee do not notify the department
13 within 14 working days after the date of the department's notification that the
14 committee has scheduled a meeting to review the proposed reallocation, the
15 department may make the proposed reallocation. If, within 14 working days after
16 the date of the department's notification, the cochairpersons of the committee notify
17 the department that the committee has scheduled a meeting to review the proposed
18 reallocation, the department may make the proposed reallocation only upon
19 approval of the committee.

20 **SECTION 74.** 49.175 (2) (c) of the statutes is amended to read:

21 **49.175 (2) (c)** If the amounts of federal block grant moneys that are required
22 to be credited to the appropriation accounts under s. 20.437 (2) (mc) and (md) are less
23 than the amounts appropriated under s. 20.437 (2) (mc) and (md), the department
24 shall submit a plan to the ~~secretary of administration~~ joint committee on finance for
25 reducing the amounts of moneys allocated under sub. (1). ~~If the secretary of~~

1 ~~administration approves the plan, the amounts of moneys required to be allocated~~
2 ~~under sub. (1) may be reduced as proposed by the department and If the~~
3 ~~cochairpersons of the committee do not notify the department within 14 working~~
4 ~~days after the date the department submits the plan that the committee has~~
5 ~~scheduled a meeting to review the proposed reduction plan, the department shall~~
6 ~~allocate the moneys as specified in the plan. If, within 14 working days after the date~~
7 ~~the department submits the plan, the cochairpersons of the committee notify the~~
8 ~~department that the committee has scheduled a meeting to review the proposed~~
9 ~~reduction plan, the department may allocated the moneys as specified in the plan~~
10 ~~only upon approval of the committee.~~

This → 11 **SECTION 75.** 71.05 (6) (a) 14. of the statutes is amended to read:

12 71.05 **(6)** (a) 14. Any amount received as a proportionate share of the earnings
13 and profits of a corporation that is an S corporation for federal income tax purposes
14 if those earnings and profits accumulated during a year for which the shareholders
15 have elected under s. 71.365 (4) (a) not to be a tax-option corporation, to the extent
16 not included in federal adjusted gross income for the current year. This subdivision
17 does not apply to earnings and profits accumulated during a year for which a
18 tax-option corporation has made an election under s. 71.365 (4m) (a) to be taxed at
19 the entity level.

20 **SECTION 76.** 71.05 (10) (dm) of the statutes is created to read:

21 71.05 **(10)** (dm) Any item of income, loss, or deduction passed through from an
22 entity that has made an election under s. 71.21 (6) (a) or 71.365 (4m) (a) to be taxed
23 at the entity level.

24 **SECTION 77.** 71.07 (7) (b) of the statutes, as affected by 2017 Wisconsin Act 59,
25 is renumbered 71.07 (7) (b) 1. and amended to read:

1 71.07 (7) (b) 1. Subject to conditions and limitations in pars. (c) and (d), if a
2 resident individual, estate or trust pays a net income tax to another state, that
3 resident individual, estate or trust may credit the net tax paid to that other state on
4 that income against the net income tax otherwise payable to the this state on income
5 of the same year. The credit may not be allowed unless the income taxed by the other
6 state is also considered income for Wisconsin tax purposes. The credit may not be
7 allowed unless claimed within the time provided in s. 71.75 (2), but s. 71.75 (4) does
8 not apply to those credits. For purposes of this ~~paragraph~~ subdivision, amounts
9 declared and paid under the income tax law of another state are considered a net
10 income tax paid to that other state only in the year in which the income tax return
11 for that state was required to be filed.

12 2. Income and franchise taxes paid to another state by a tax-option corporation,
13 partnership, or limited liability company that is treated as a partnership may be
14 claimed as a credit under this paragraph by that corporation's shareholders, that
15 partnership's partners, or that limited liability company's members who are
16 residents of this state and who otherwise qualify under this paragraph, unless the
17 tax-option corporation, partnership, or limited liability company has made an
18 election under s. 71.21 (6) (a) or 71.365 (4m) (a).

19 **SECTION 78.** 71.07 (7) (b) 3. of the statutes is created to read:

20 71.07 (7) (b) 3. Subject to the conditions and limitations in pars. (c) and (d), if
21 a tax-option corporation, partnership, or limited liability company makes an
22 election under s. 71.21 (6) (a) or 71.365 (4m) (a), that tax-option corporation,
23 partnership, or limited liability company may credit the net income or franchise tax
24 paid by the entity to another state on that income and the net income tax on that
25 income paid by the entity on behalf of its shareholders, partners, and members that

1 are residents of this state on a composite return filed with the other state against the
2 net income or franchise tax otherwise payable to this state on income of the same
3 year. The credit may not be allowed unless the income taxed by the other state is also
4 considered income for Wisconsin tax purposes and is otherwise attributable to
5 amounts that would be reportable to this state by shareholders, partners, or
6 members of the tax-option corporation, partnership, or limited liability company
7 that are residents of this state if the election under s. 71.21 (6) (a) or 71.365 (4m) (a)
8 was not made. The credit may not be allowed unless claimed within the time
9 provided in s. 71.75 (2), but s. 71.75 (4) does not apply to those credits. For purposes
10 of this subdivision, amounts declared and paid under the income tax law of another
11 state are considered a net income tax paid to that other state only in the year in which
12 the income tax return for that state was required to be filed.

13 **SECTION 79.** 71.07 (7) (c) of the statutes, as created by 2017 Wisconsin Act 59,
14 is amended to read:

15 71.07 (7) (c) The credit total credits under par. (b) 1. and 2. may not exceed an
16 amount determined by multiplying the taxpayer's net Wisconsin income tax by a
17 ratio derived by dividing the income subject to tax in the other state that is also
18 subject to tax in Wisconsin while the taxpayer is a resident of Wisconsin, by the
19 taxpayer's Wisconsin adjusted gross income. The credit under par. (b) 3. may not
20 exceed an amount determined by multiplying the income subject to tax in the other
21 state that is also subject to tax in Wisconsin by 7.9 percent.

22 **SECTION 80.** 71.21 (6) of the statutes is created to read:

23 71.21 (6) (a) If persons who, on the day on which an election under this
24 paragraph is made, hold more than 50 percent of the capital and profits of a
25 partnership consent, a partnership that is a partnership for federal income tax

1 purposes may elect, on or before the due date or extended due date of its return under
2 this chapter, to be taxed at the entity level at a rate of 7.9 percent of net income
3 reportable to this state as described in par. (d) 1. for that taxable year.

4 (b) It is the intent of the election under par. (a) that partners of a partnership
5 may not include in their Wisconsin adjusted gross income their proportionate share
6 of all items of income, gain, loss, or deduction of the partnership. It is also the intent
7 that the partnership shall pay tax on items that would otherwise be taxed if this
8 election was not made.

9 (c) If persons who, on the day on which the election under this paragraph is
10 made, hold more than 50 percent of the capital and profits of a partnership that has
11 elected to be taxed at the entity level under par. (a) consent, a partnership that is a
12 partnership for federal income tax purposes may elect, on or before the due date or
13 extended due date of its return under this chapter, to revoke for that taxable year its
14 election under par. (a).

15 (d) If an election is made under par. (a), all of the following apply:

16 1. The net income of the partnership is computed under subs. (1) to (5) and the
17 situs of income shall be determined as if the election under par. (a) was not made.

18 2. The partnership may not claim the loss under s. 71.05 (8).

19 3. Except as provided in s. 71.07 (7) (b) 3., the tax credits under this chapter
20 may not be claimed by the partnership.

21 4. A partner's adjusted basis of the partner's interest in the partnership is
22 determined as if the election under par. (a) was not made.

23 5. The provisions of ss. 71.09 and 71.84 relating to estimated payments and
24 underpayment interest shall apply to the partnership.

1 6. If the partnership fails to pay the amount owed to the department with
2 respect to income as a result of the election under par. (a), the department may collect
3 the amount from the partners based on their proportionate share of such income.

4 (e) The department may promulgate rules to implement this subsection.

5 **SECTION 81.** 71.36 (1) of the statutes is amended to read:

6 71.36 (1) It is the intent of this section that shareholders of tax-option
7 corporations include in their Wisconsin adjusted gross income their proportionate
8 share of the corporation's tax-option items unless the corporation elects under s.
9 71.365 (4) (a) not to be a tax-option corporation or elects under s. 71.365 (4m) (a) to
10 be taxed at the entity level.

11 **SECTION 82.** 71.365 (1) of the statutes is renumbered 71.365 (1) (a) and
12 amended to read:

13 71.365 (1) (a) For purposes of this chapter, the adjusted basis of a shareholder
14 in the stock and indebtedness of a tax-option corporation shall be determined in the
15 manner prescribed by the internal revenue code for a shareholder of an S
16 corporation, except that the nature and amount of items affecting that basis shall be
17 determined under this chapter. This subsection paragraph does not apply to 1978
18 and earlier taxable years of corporations which were S corporations for federal
19 income tax purposes or to taxable years of corporations for which an election has been
20 made under sub. (4) (a).

21 **SECTION 83.** 71.365 (1) (b) of the statutes is created to read:

22 71.365 (1) (b) The adjusted basis of a shareholder in the stock and indebtedness
23 of a tax-option corporation that has made an election under sub. (4m) (a) is
24 determined as if the election was not made.

25 **SECTION 84.** 71.365 (4m) of the statutes is created to read:

1 **71.365 (4m)** TAX-OPTION CORPORATION ELECTION TO PAY FRANCHISE OR INCOME TAX
2 AT THE ENTITY LEVEL. (a) If persons who hold more than 50 percent of the shares on
3 the day on which an election under this paragraph is made consent, a corporation
4 that is an S corporation for federal income tax purposes may elect, on or before the
5 due date or extended due date of its return under this chapter, to be taxed at the
6 entity level at a rate of 7.9 percent of net income reportable to this state as described
7 in par. (d) 1. for that taxable year.

8 (b) It is the intent of the election under par. (a) that shareholders of a tax-option
9 corporation may not include in their Wisconsin adjusted gross income their
10 proportionate share of all items of income, gain, loss, or deduction of the tax-option
11 corporation. It is also the intent that the tax-option corporation shall pay tax on
12 items that would otherwise be taxed if this election was not made.

13 (c) If persons who, on the day on which the election under this paragraph is
14 made, hold more than 50 percent of the shares of a corporation that has elected to
15 be taxed at the entity level under par. (a) consent, a corporation that is an S
16 corporation for federal income tax purposes may elect, on or before the due date or
17 extended due date of its return under this chapter, to revoke for that taxable year its
18 election under par. (a).

19 (d) If an election is made under par. (a), all of the following apply:

20 1. The net income of the tax-option corporation is computed under s. 71.34 (1k)
21 and the situs of income shall be determined as if the election was not made.

22 2. Except as provided in s. 71.07 (7) (b) 3., the tax credits under this chapter
23 may not be claimed by the tax-option corporation.

24 3. The tax-option corporation may not claim losses under ss. 71.05 (8) and
25 71.26 (4).

1 4. The provisions of ss. 71.29 and 71.84 relating to estimated payments and
2 underpayment interest shall apply to the tax-option corporation for the taxable year
3 beginning in 2019 and later years.

4 5. If the tax-option corporation fails to pay the amount owed to the department
5 with respect to income as a result of the election under par. (a), the department may
6 collect such amount from the shareholders based on their proportionate share of such
7 income.

8 (e) The department may promulgate rules to implement this subsection.

9 **SECTION 85.** 71.775 (3) (a) 4. of the statutes is created to read:

10 71.775 (3) (a) 4. The pass-through entity has elected under s. 71.21 (6) (a) or
11 71.365 (4m) (a) to be taxed at the entity level.

12 **SECTION 86.** 73.03 (71) of the statutes is amended to read:

13 73.03 (71) (a) To determine the amount of additional revenue that reported to
14 the department collected from the taxes imposed under subch. III of ch. 77 as a result
15 of any federal law to expand the United States Supreme Court decision that expands
16 the state's authority to require out-of-state retailers to collect and remit the taxes
17 imposed under subch. III of ch. 77 on purchases by Wisconsin residents during the
18 first 12 months following the date on which the department begins collecting the
19 additional revenue as a result of a change in federal law period beginning on October
20 1, 2018, and ending on September 30, 2019.

21 (b) After the department makes the determination under par. (a), the
22 department of administration, in consultation with the department of revenue, shall
23 determine how much the individual income tax rates under s. 71.06 may be reduced
24 in the following for the taxable year ending on December 31, 2019, in order to
25 decrease individual income tax revenue by the amount determined under par. (a).

1 For purposes of this paragraph, ~~the department shall calculate~~ the tax rate
2 reductions shall be calculated in proportion to the share of gross tax attributable to
3 each of the tax brackets under s. 71.06 in effect during the most recently completed
4 taxable year.

5 (c) ~~The department~~ No later than October 20, 2019, the secretary of
6 administration shall certify and report the determinations made under pars. (a) and
7 (b) ~~to the secretary of the department of administration, to the governor, and to the~~
8 ~~legislature~~ the joint committee on finance, and the legislative audit bureau and
9 specify with that certification and report that the new tax rates take effect in for the
10 taxable year ~~following the taxable year in which the department makes the~~
11 ~~certification under this paragraph~~ ending on December 31, 2019, subject to par. (d).

12 **SECTION 87.** 73.03 (71) (d) of the statutes is created to read:

13 73.03 (71) (d) The legislative audit bureau shall review the determinations
14 reported under par. (c) and report its findings to the joint legislative audit committee
15 and the joint committee on finance no later than November 1, 2019. If the legislative
16 audit bureau's review of the determinations reported under par. (c) results in a
17 different calculation of the tax rates than that made under par. (b), the joint
18 committee on finance shall determine which tax rates to apply to the taxable year
19 ending on December 31, 2019, and report its determination to the governor, the
20 secretary of administration, and the secretary of revenue no later than November 10,
21 2019.

22 **SECTION 88.** 77.51 (13g) (intro.) of the statutes is amended to read:

23 77.51 (13g) (intro.) Except as provided in ~~sub.~~ subs. (13gm) and (13h), "retailer
24 engaged in business in this state", for purposes of the use tax, includes any of the
25 following: